

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: **Monterey Minerals Inc.** ("Monterey" or the "Issuer").

Trading Symbol: **MREY**

Number of Outstanding Listed Securities: **151,736,656** common shares

Date: **September 7, 2020.**

#### **Report on Business**

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

***Monterey is a BC company that began trading on the CSE on February 5, 2019. Information about Monterey and all of Monterey's press releases are available on its website, [www.montereyminerals.com](http://www.montereyminerals.com), or on the SEDAR website.***

***On August 13, 2020, Monterey announced that it has closed the acquisition of Greater Arc Pty Ltd ("Greater Arc"), which owns the Alicia high-grade gold and base metals project in Alicia Municipality, Philippines ("Alicia Project").***

***Greater Arc was purchased from Greater Arc Resources Limited (the former "ParentCo") for approximately 54 million common shares of Monterey, which represents 35.4% of the issued and outstanding shares of Monterey, and becomes the Company's largest shareholder. In connection with this transaction, the Company also paid a finders fee of 5 million common shares.***

***As per the agreement between the parties, Parent Co will not initiate the process of transferring their block of Monterey shares to their shareholders for 180 days from the closing.***

***Monterey will now allocate the majority of the net proceeds of its recently closed oversubscribed private placement to exploration programs in the Philippines.***

#### ***Alicia Project Highlights:***

- ***Greater Arc has identified a system of twelve veins hosting high grade gold and base metal mineralization.***
- ***The mineralized veins are up to 3.8 m wide and up to 1.7 km in length, with a combined strike length in excess of 11 km.***
- ***Previous fieldwork at the Alicia Project included detailed geological mapping, geochemical sampling and limited drilling.***
- ***The twelve veins generally trend northwest-southeast and are grouped into three main vein structures:***

- *Sandi Vein in the east*
- *Baloy Vein in the central portion of the tenement*
- *Pamaraw-Sumihig Vein to the west*
- *Several semi-parallel subsidiary veins also occur.*
- *Veins host native gold, silver, galena, sphalerite, and pyrite minerals.*
- *High grade samples from shallow drilling into the Baloy Vein include:*
  - *1.2m of 116 g/t Au, 1,263 g/t Ag, 6.3% Cu, 6.5% Zn, and 47.9% Pb*
  - *1.5m of 40.9 g/t Au, 437 g/t Ag, 1.1% Cu, 3.6% Zn, and 62.9% Pb*
- *Field Work on the Pamaraw-Sumihig Vein yielded:*
  - *a drill intersection of 1.5 m of 13.86 g/t Au, 181g/t Ag and 4.8% Cu*
  - *a grab sample returning 7.51 g/t Au, 55.2 g/t Ag and 1.76% Cu*
- *The Alicia Project is situated within a Declared Mineral Reservation determined by the Mines and Geosciences Bureau (MGB) in 1995 and is on a granted Exploration Permit.*
- *The Project is accessible by sealed roads, is proximal to power and towns, is 10 km away from a port facility at Malangas, and 60 km from an airport at Pagadian City.*

**2020 Exploration Plan Highlights:**

- *Exploration drilling along strike down to a depth of 300 metres to:*
  - *Discover the source of the veins at surface and test the geologist's premise that the vein systems are merging at depth*
  - *Define the down-dip continuity/extension of the vein systems, grade distribution, consistency and vein characteristics*
  - *Check consistency of zone width and grade at depth below the near surface oxidation zone*
  - *Begin the groundwork for JORC or NI 43-101 maiden resource*
- *Priority Drill targets include:*
  - *Pamaraw- Sumilhig Area and Baloy Area*
- *Ground and downhole IP surveys to define the possible extent of mineralization*
- *Extended geological mapping, trenching and sampling program*

**On August 26, 2020, Monterey announced that it appointed Max Tuesley as Country Manager for the Alicia high-grade gold and base metals project in Alicia Municipality, Philippines (the “Alicia Project”). Mr. Tuesley will oversee exploration activity at the Alicia Project. Max is a highly experienced project manager and has spent over 25 years in grassroots, advanced mineral exploration and mine production, predominantly in gold, copper and base metals. He has been working in the Philippines for nine years, including senior management positions at the Masbate Gold Project for B2Gold Corp. and the**

**Runruno Gold Mine for Metals Exploration Plc. Other experience includes managing start up gold projects in Central Asia and porphyry copper exploration in both Mongolia and Sudan. Mr. Tuesley holds an Honour's degree in Economic Geology from James Cook University in Australia and is a member of the Australian Institute of Mining and Metallurgy. Monterey also announced that it is mobilizing its technical team to the Alicia Project to initiate the previously announced 2020 exploration program.**

2. Provide a general overview and discussion of the activities of management.

**See item 1**

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

**See item 1**

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

**None.**

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

**None.**

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

**No expiry or termination of any contracts.**

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

**See item 1**

8. Describe the acquisition of new customers or loss of customers.

**No new customers or loss of customers.**

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

***No new developments or effects on intangible products.***

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

***None.***

11. Report on any labour disputes and resolutions of those disputes if applicable.

***None.***

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

***None.***

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

***None.***

14. Provide details of any securities issued and options or warrants granted.

<b>Security</b>	<b>Number Issued</b>	<b>Details of Issuance</b>	<b>Use of Proceeds <sup>(1)</sup></b>
Common Shares	53,062,500	See item (1)	
Finders' Warrants	5,000,000	See item (1)	

(1) State aggregate proceeds and intended allocation of proceeds.

(2) On August 13, 2020, Monterey announced announce that it has closed the acquisition of Greater Arc Pty Ltd ("Greater Arc"), which owns the Alicia high-grade gold and base metals project in Alicia Municipality, Philippines ("Alicia Project"). Greater Arc was purchased from Greater Arc Resources Limited (the former "ParentCo"). Total aggregate consideration in Canadian dollars is \$4,282,500, consisting of a total of 54,000,000 common shares of the Issuer, inclusive of shares issued for the LOI, which represents 35.4% of the issued and outstanding shares of Monterey. In connection with this transaction, the Company also paid a finders fee of 5 million common shares.

(3) As per the agreement between the parties, Parent Co will not initiate the process of transferring their block of Monterey shares to their shareholders for 180 days from the closing.

15. Provide details of any loans to or by Related Persons.

***None.***

16. Provide details of any changes in directors, officers or committee members.

***None.***

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer’s market(s) or political/regulatory trends.

**No new trends.**

**18. Certificate Of Compliance**

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: **September 7, 2020**

*James Macintosh*  
**“Jamie Macintosh”**  
**President and CEO**

<b>Issuer Details</b> Name of Issuer <b>Monterey Minerals Inc.</b>	For Month End <b>August 2020</b>	Date of Report YY/MM/DD <b>20/09/04</b>
Issuer Address: <b>401 Bay Street, Suite 2702</b>		
City/Province/Postal Code <b>Toronto, ON M5H 2Y4</b>	Issuer Fax No. <b>N/A</b>	Issuer Telephone No. <b>(416) 862-7003</b>
Contact Name <b>James Macintosh</b>	Contact Position <b>President &amp; CEO</b>	Contact Telephone No. <b>(416) 862-7003</b>
Contact Email Address <b>jm@montereyminerals.com</b>	Web Site Address <b>www.montereyminerals.com</b>	